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PATENT

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of: Paul Stephen Tolley

Serial No.: 09/722,913

Filed: November 27, 2000

For: PAYMENT SYSTEM



Art Unit: N/A

Examiner: N/A

Docket: 15-810 (4969)

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Commissioner of Patents
Washington, D.C. 20231

TRANSMITTAL OF CERTIFIED COPY

Dear Sir:

Attached please find certified copies of the foreign applications from which priority is claimed for this case.

| | |
|-----------------|--------------------------------------|
| Country: | United Kingdom |
| Application No. | 0000433.3 and 9917939.0 |
| Filing Date: | 11 January 2000 and 26 November 1999 |

Respectfully submitted,

Dated: January 11, 2001

A handwritten signature in cursive script, appearing to read "Thomas E. Fisher".

Thomas E. Fisher
Reg. No. 18,271



INVESTOR IN PEOPLE



The Patent Office
Concept House
Cardiff Road
Newport
South Wales
NP10 8QQ

I, the undersigned, being an officer duly authorised in accordance with Section 74(1) and (4) of the Deregulation & Contracting Out Act 1994, to sign and issue certificates on behalf of the Comptroller-General, hereby certify that annexed hereto is a true copy of the documents as originally filed in connection with the patent application identified therein.

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W. Evans

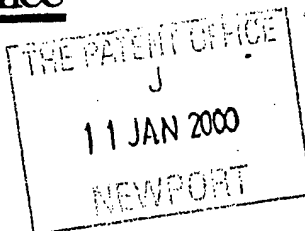
Dated

7 December 2000

An Executive Agency of the Department of Trade and Industry



**Patent
Office**



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Cardiff Road
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Request for grant of a patent

(See the notes on the back of this form. You can also get an explanatory leaflet from the Patent Office to help you fill in this form)

1. Your reference RRS/7423

2. Patent application number
(The Patent Office will fill in this part)

0000433.3

3. Full name, address and postcode of the or of each applicant (underline all surnames)

Paul Tolley
75 Manchester Road,
Congleton,
Cheshire, CW12 2HT

Patents ADP number (if you know it)

778591001

If the applicant is a corporate body, give the country/state of its incorporation

4. Title of the invention

Payment System

5. Name of your agent (if you have one)

Swindell & Pearson

"Address for service" in the United Kingdom to which all correspondence should be sent (including the postcode)

48 Friar Gate,
Derby DE1 1GY

Patents ADP number (if you know it)

00001578001

6. If you are declaring priority from one or more earlier patent applications, give the country and the date of filing of the or of each of these earlier applications and (if you know it) the or each application number

Country

Priority application number
(if you know it)

Date of filing
(day / month / year)

U.K.

9927939.0

26/11/99

7. If this application is divided or otherwise derived from an earlier UK application, give the number and the filing date of the earlier application

Number of earlier application

Date of filing
(day / month / year)

8. Is a statement of inventorship and of right to grant of a patent required in support of this request? (Answer 'Yes' if:

No

- a) any applicant named in part 3 is not an inventor, or
 - b) there is an inventor who is not named as an applicant, or
 - c) any named applicant is a corporate body.
- See note (d))

Patents Form 1/77

9. Enter the number of sheets for any of the following items you are filing with this form.
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| | |
|----------------------------------|---|
| Continuation sheets of this form | 0 |
| Description | 4 |
| Claim(s) | 0 |
| Abstract | 0 |
| Drawing(s) | 0 |

10. If you are also filing any of the following, state how many against each item.

Priority documents

Translations of priority documents

Statement of inventorship and right to grant of a patent (Patents Form 7/77)

Request for preliminary examination and search (Patents Form 9/77)

Request for substantive examination (Patents Form 10/77)

Any other documents
(please specify)

11.

I/We request the grant of a patent on the basis of this application.

Signature Swindell + Pearson Date 10/01/2000
Swindell & Pearson

12. Name and daytime telephone number of person to contact in the United Kingdom

R. R. Sales - 01332 367051

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Notes

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Payment System

This invention concerns a payment system and apparatus usable in such a system.

An ever increasing amount of products and services are being purchased by mail order, telephone and particularly over the Internet. Conventionally, the latter two are usually paid for by credit card. It is often not considered desirable to provide credit card details for such purposes as they may be fraudulently used by an unauthorised person. This can be a particular fear with the Internet where it can be very difficult to identify the address and often even the location of a party offering a service or product. Furthermore, many people do not wish or cannot have credit cards, for instance as they may exceed their credit limit, may have been refused credit, or may be too young.

According to the present invention there is provided a payment system, the payment system comprising a plurality of purchasing members which can be issued and have a predetermined value or values, activating means operable when a purchasing member is issued, means for checking the activating means to establish whether a purchasing member has been issued, and means for cancelling part or all of the issuance when part or all of the purchasing member is spent.

The purchasing member is preferably allocated a unique identification, such as a unique, and desirably randomly generated, number. The purchasing member may comprise a card. The purchasing member preferably includes a visually readable unique identification, and may also comprise a machine readable unique identification, which may be the same or different. The machine readable identification may be in the form of a magnetic strip. Purchasing members with different predetermined values may be provided.

The activating means preferably comprises an accessible database which records the unique identifications of the purchasing members and an indication

as to whether the purchasing members have been issued and whether the issuance has yet been cancelled.

The activating means may comprise a plurality of discreet vending stations where purchasing members can be purchased or otherwise distributed, and simultaneously issued, with a signal being sent to the database that the particular purchasing member has been issued. The activating means may be arranged to be operable only at certain hours, or only operable at certain hours for particular vending stations.

The cancelling means may comprise a plurality of discreet purchasing stations where the identification of purchasing members can be read or inputted, and a signal sent to the database to cancel part or all of the issuance of the purchasing member.

The invention also provides apparatus usable in a purchasing system according to any of the preceding five paragraphs.

The invention still further provides a purchasing member usable with a system according to any of said preceding five paragraphs.

An example of a payment system and apparatus usable in it, according to the invention, will now be described by way of example only.

A plurality of purchasing members are provided in the form of cards similar to conventional credit cards. Each of the cards is allocated a specific value such as £5 or £10 and bears a magnetic strip with a unique randomly generated identification number thereon. The cards also bear a visually readable number which can be inputted into a computer or read out over a telephone. Whilst this number could be the same as that held by the magnetic strip, in general this would be a different number to provide extra security.

The cards can be purchased from a number of vending stations which

could for example, be located in Post Offices, shops, banks, petrol stations, etc. When a purchasing member is sold, the unique identification is automatically read at the vending station and a signal sent to a central database that the particular purchasing member has been issued.

The purchasing member can be spent in locations or more likely over the telephone or by using the Internet. The purchasing member can be spent by providing the visually readable unique identification number which can be transmitted to the database to cause the issuance to be wholly or partially cancelled, depending on the cost of the services or products being bought relative to the value of the purchasing member.

There is thus described a payment system which permits purchasing members to be bought with cash if necessary and used as cash but in situations where cash traditionally cannot be used, i.e. over the telephone or over the Internet. The system is restricted to the value of the purchasing members and thus a user's potential losses are only of the value of the purchasing members. This enables persons who choose not or cannot have a credit card to purchase goods and services by methods which otherwise would not be feasible.

The system has other advantages of conventional cash transactions in that there are no statements required to the user and no possibility of junk mail being received or the like. The system also permits anonymous purchase of items which can be desirable or appropriate in certain circumstances. It is to be realised that this system is operable on a world-wide basis and can operate with different currencies or a single unique currency with appropriate conversions to national and regional currencies.

Various modifications may be made without departing from the scope of the invention. For instance the purchasing member may take a different form, and the unique identification number or numbers could be read in different ways. Rather than sold such cards could be issued or awarded in various other circumstances.

Whilst endeavouring in the foregoing specification to draw attention to those features of the invention believed to be of particular importance it should be understood that the Applicant claims protection in respect of any patentable feature or combination of features hereinbefore referred to and/or shown in the drawings whether or not particular emphasis has been placed thereon.